

## KEY POINTS FROM TODAY'S BRIEFING ON TRANZRAIL

Treasury and First NZ Capital (FNZC) today provided the financial media with further detail on the Crown's Offer to Tranz Rail Shareholders and clarification of aspects of the Heads of Agreement. The briefing focused on technical issues with the aim of clarifying issues around the value of the Crown offer and how the access charge would work.

The following addresses key issues were raised

### What is the \$1.30?

\$1.30 is First NZ Capital's estimate of Tranz Rail share value **if** the Crown / Tranz Rail offer proceeds. It is based on the information in the Heads of Agreement with Tranz Rail.

It is not an estimate of Tranz Rail's share value at the moment.

It doesn't represent new information. The market has had analysts' estimates available for some time. FNZC's \$1.30 is in line with those analysts estimates.

### Why is it being released?

The information is being released to inform shareholders leading up to Special Meeting.

Investors will receive an independent view of the value of Crown's proposal from Grant Samuel prior to the Special Meeting next month.

### Why was the \$1.30 estimate not released to the market earlier?

Today's Treasury briefing was planned to follow Tranz Rail's Wednesday announcement.

The briefing was not in response to Toll's acquisition announcement this morning.

### Why didn't Tranz Rail announce this on Wednesday?

These are FNZC's estimates not Tranz Rail's, although we have been working with Tranz Rail for sometime and Tranz Rail is aware of the numbers.

A copy of the presentation and some technical notes are on the Treasury website [www.treasury.govt.nz](http://www.treasury.govt.nz).

ENDS

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